

## Message Text

UNCLASSIFIED

PAGE 01 ABIDJA 05880 101625Z

ACTION EB-07

INFO OCT-01 AF-10 ISO-00 AID-05 CIAE-00 COME-00 FRB-01

INR-07 NSAE-00 USIA-15 XMB-04 OPIC-06 SP-02

LAB-04 EPG-02 SIL-01 OMB-01 OES-07 INT-05 IGA-02

/080 W

-----110332Z 021065 /72

R 101150Z JUN 77

FM AMEMBASSY ABIDJAN

TO DEPT OF TREASURY

INFO SECSTATE WASHDC 3930

AMEMBASSY MASERU

UNCLAS ABIDJAN 5880

DEPT PASS NAC AGENCIES

E.O. 11652: N/A

TAGS: AFDB, AFDF EFIN, EAID

SUBJECT: PROPOSED AFDF LOAN TO FINANCE MASERU

WATER SUPPLY PROJECT IN LESOTHO

REF: ABIDJAN 4025

SUMMARY: 1) AFDF MANAGEMENT PROPOSES 5.75 MILLIN FUND UNIT OF ACCOUNT (FUA EQUAL TO US \$1.11 LOAN) TO THE GOVERNMENT OF THE KINGDOM OF LESOTHO TO FINANCE A PORTION OF MASERU WATER SUPPLY PROJECT. PROJECT DESCRIPTION IS AS OUTLINED REFTEL. TOTAL COST OF PROJECT ESTIMATED AT FUA 6.34 MILLIN TO BE COFINANCED BY AFDF AND GOL.

2) AFDF DOC BD/77/33 REVISED AS OF JUNE 6, 1977 AND ATTACHMENTS DESCRIBING LOAN POUCHED TO ADDRESSEES JUNE 10. BOARD CONSIDERATION SCHEDULED FOR JUNE 27.

3) THIS LOAN , IN ITS ORIGINAL FORMAT, WAS FIRST DISTRIBUTED TO BOARD MEMBERS ON APRIL 18, 1977. ORIGINAL DOCUMENT PROPOSED UNCLASSIFIED

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A FUA 5 MILLION AFDF LOAN TO FINANCE 79 PERCENT OF PROJECT COSTS INCLUDING 94 PERCENT OF FOREX COMPONENT. AFDF FINANCING WOULD HAVE EQUALED APPROXIMATELY FUA 4.8 MILLION IN FOREX, AND APPROXIMATELY FUA 156,000 IN LOCAL COSTS. GOL WOULD HAVE FINANCED EQUIVALENT OF APPROXIMATELY FUA 289,000 IN FOREX AND APPROXIMATELY FUA 1 MILLION IN LOCAL COSTS. NAC APPROVED PROPOSED PROJECT AND FINANCING PLAN AT APRIL 26, 1977

MEETING. HOWEVER, LOAN WAS NOT BROUGHT BEFORE AFDF BOARD ON APRIL 29, AS MANAGEMENT HAD INTENDED, DUE TO LATE APPEAL BY GOL TO ALTER TERMS OF FINANCING. PROJECT COSTS REMAINS AT FAU 6.34 MILLION.

4) REVISED TERMS OF LOAN ARE AS FOLLOWS: AFDF LOAN TO FINANCE ENTIRE FOREX COST EQUAL TO FUA 5.133 MILLION AND LOCAL COST EQUAL TO FUA 605,000. GOL TO MEET LOCAL COSTS EQUAL TO FUA 600,000. PROPOSED LENDING TERMS REMAIN AT 50 YEARS AMORTIZATION INCLUDING TEN YEARS GRACE, 0.75 PERCENT SERVICE CHARGE. STEARNS

NOTE BY OC/T: NOT PASSED NAC AGENCIES.

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** WATER SUPPLY SYSTEM, DEVELOPMENT LOANS, PROGRAMS (PROJECTS)  
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**Copy:** SINGLE  
**Sent Date:** 10-Jun-1977 12:00:00 am  
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**Decaption Note:**  
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**Disposition Approved on Date:**  
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**Enclosure:** n/a  
**Executive Order:** N/A  
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**Original Previous Classification:** n/a  
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**Page Count:** 2  
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**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009